

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, Department of)	
Finance, Securities Bureau,)	Docket No. 2010-7-01
)	
Complainant,)	CONSENT ORDER TO
)	CEASE AND DESIST
vs.)	
)	
W.M. "Bill" McIntosh)	
)	
Respondent)	
_____)	

The Director of the Department of Finance, pursuant to the authority of the Idaho Uniform Securities Act (2004), Idaho Code §30-14-101, *et seq.*, and the Idaho Securities Act, Idaho Code §30-1401, *et seq.*, has reasonable grounds to believe that violations of the Idaho Uniform Securities Act (2004) and the Idaho Securities Act have occurred as follows:

RESPONDENT

1. W. M. "Bill" McIntosh (McIntosh) is an Idaho resident residing Yellow Pine, Idaho. At various times since 1993, McIntosh has resided in Portland, Oregon; Boise, Idaho; Meridian, Idaho and Yellow Pine, Idaho.

2. Since at least 1979, McIntosh has continuously been involved in the insurance business. Since at least June 2000, McIntosh has been licensed in Idaho to sell various insurance products through multiple insurance companies.

3. McIntosh has not been associated with a securities broker-dealer in any capacity since at least 1990 and was not licensed as a securities representative during the time of the events giving rise to this Order.

BACKGROUND

4. ABC Viaticals, Inc. (ABC) was a viatical or life settlement company that operated from Orlando, Florida and later Houston, Texas. ABC purchased life settlement and viatical life insurance policy interests and engaged in the business of selling investment interests in these policies to retail investors around the country. These

investment interests were securities that were neither registered nor exempt from registration under Idaho law.

5. Beginning sometime in 2004, McIntosh became associated with ABC as a sales and servicing agent. In this capacity and in association with his existing insurance client relationships, McIntosh offered and sold approximately \$300,000 in ABC securities to Idaho residents between summer 2004 and November 2006. McIntosh received compensation from ABC for selling these products to retail investors in Idaho and elsewhere. In connection with the offer and sale of these securities, McIntosh and ABC made misrepresentations of material information and omitted to disclose material information to Idaho investors and others.

6. ABC became the subject of a securities enforcement action by the United States Securities and Exchange Commission (SEC) in November 2006. Thereafter, a Receiver was appointed and the Receiver continues to manage the affairs of ABC with a view to protecting the remaining assets of investors apparently defrauded by the actions of ABC and its sales representatives.

7. Two principals of ABC, C. Keith LaMonda and Jesse W. LaMonda Jr. were later found guilty of mail and wire fraud for their actions in operating the fraudulent investment scheme promoted through ABC. Each received lengthy prison sentences and were ordered to pay \$88 million in restitution to ABC victims.

COUNT ONE

8. Paragraphs 1 through 7 set forth above are fully incorporated herein by this reference.

9. In connection with the offer and sale of the ABC investment securities, McIntosh omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading in violation of the antifraud provisions of the Idaho Securities Act and the Idaho Uniform Securities Act. The omissions of Respondent include, but are not limited to, the following:

- a) omitting to disclose the financial condition and financial operating history of the issuer, ABC Viaticals, Inc.

b) omitting to disclose all of the amounts and types of direct or indirect compensation that McIntosh and ABC principals would receive as a result of the application of investor proceeds.

c) omitting to inform investors that Respondent was not registered as a securities sales agent to sell the securities being offered as required by the Idaho Securities Act and the Idaho Uniform Securities Act.

d) failing to inform investors that the securities being offered were not registered as required under the Idaho Uniform Securities Act and the Idaho Securities Act.

10. Respondent has violated Idaho Code §§ 30-1403(2) & 30-14-501(2).

COUNT TWO

11. Paragraphs 1 through 7 set forth above are fully incorporated herein by this reference.

12. In connection with the offer or sale of securities, Respondent misrepresented material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading in violation of the antifraud provisions of the Idaho Uniform Securities Act. The misrepresentations of Respondent include, but are not limited to, the following:

a) misrepresenting that an investment in ABC viatical securities was a safe and low risk investment.

b) misrepresenting that an investment in ABC viatical securities was "bonded" or otherwise insured against loss.

13. Respondent has violated Idaho Code §§ 30-1403(2) and 30-14-502(2).

CEASE AND DESIST ORDER

NOW, THEREFORE, PURSUANT TO IDAHO CODE § 30-14-604(a)(1), IT IS HEREBY ORDERED THAT W.M. "BILL" MCINTOSH, IMMEDIATELY CEASE AND DESIST FROM:

A. While engaged in or in connection with the offer, or sale, of any security in the state of Idaho:

(1) Employing any device, scheme or artifice to defraud any purchasers of securities in Idaho;

- (2) Making any untrue statement of material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading;
- (3) Engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

ACKNOWLEDGMENT, AGREEMENT AND CONSENT BY RESPONDENT

1. The Respondent consents to the entry of this Order and admits to the conduct and violations alleged by the Complainant in this Order.
2. Respondent represents that he is financially incapable of making any meaningful penalty payment or payments for the benefits of affected Idaho investors. Respondent has provided Complainant with a personal financial statement in support of this representation.
3. Respondent agrees to waive, for a period of two (2) years from the date of this Order, any securities-related statute of limitations defenses in the event that any individual investor or the ABC Receiver shall seek to collect or otherwise take action against Respondent for the same activities or activities similar to those giving rise to this Order.
4. Respondent agrees not to claim the availability of, use, or offer or sell securities under, any exemptions under, the Idaho Uniform Securities Act without first obtaining the written permission of the Director of the Idaho Department of Finance.
5. Respondent agrees to abide by the Idaho Uniform Securities Act. In the event that Respondent commits violations of the Idaho Uniform Securities Act within two (2) years of the date of this Order, Respondent acknowledges that Complainant can incorporate the allegations giving rise to this Order in any future proceeding.
6. The foregoing Cease and Desist Order is necessary and appropriate, in the public interest, and for the protection of the public.

ACKNOWLEDGMENT, AGREEMENT AND CONSENT

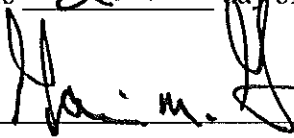
W. M. "Bill" McIntosh

W. M. "BILL" MCINTOSH

Date 10/18/2010

IT IS SO ORDERED.

DATED this 20th day of October, 2016



GAVIN M. GEE, Director
Idaho Department of Finance

